Date: May 23, 2002

To: Chairman Getman and Commissioners Downey, Knox, and Swanson

From: Mark Krausse, Executive Director

EXECUTIVE DIRECTOR'S REPORT

This is a summary of administrative and division activity since the report sent to you prior to the May Commission meeting.

A. PERSONNEL/BUDGET

We have submitted to the Department of Finance a request for two exemptions from the hiring freeze: an Investigator I and an Accounting Specialist. We expect to receive a response to this request in late June or early July.

Colleen McGee, a Political Reform Consultant in the Enforcement Division's intake unit, has announced her retirement, effective July 1, 2002. Colleen has served the Commission for over 20 years. We wish Colleen and her family health and happiness.

The Governor's May budget revision made no specific cuts to the Commission's funding, but did include a deletion of 4,000 vacant positions throughout state service. Subsequently, the Department of Finance issued Budget Letter 02-09, requiring a report from each agency setting forth how it would achieve a 5% reduction in budgeted positions. For the Commission, this reduction can be achieved through the elimination of four vacant positions. The report is due by July 1, 2002.

B. STAFF PROJECTS AND ACTIVITIES

I attended the California Leadership Institute, a week-long training for state managers, in Pomona in mid-May. The program includes four additional two-day training sessions, and covers topics from budgets and personnel to customer service and e-government solutions.

The Public Education Unit is working with the Enforcement Division to finalize a draft, 13-page booklet explaining the FPPC's probable cause hearing process. The unit is preparing a new issue of the quarterly FPPC Bulletin newsletter. The unit has collaborated with the Legal Division to add a new and improved version of the conflict-of-interest slide presentation to the Commission's website. The unit also is installing equipment for the telephone broadcasting of Commission meetings and hopes to begin the service in time for the July meeting.

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The Technical Assistance Division provided outreach visits to the Cities of Cathedral City, Chula Vista, Newport Beach, Clayton, Temple City, South Pasadena, Lancaster, and to the County of Mono. Political Reform Consultant Adrianne Korchmaros spoke on "The FPPC & You: Common Problems" at the California Municipal Treasurers Association meeting in Monterey.

<u>The Legal Division</u> Counsel Natalie Bocanegra provided a conflicts-of-interest presentation to the State Board of Education in May. Assistant General Counsel John Wallace attended a week-long management and supervisory training in late May.

C. CONFLICT OF INTEREST CODES/AMENDMENTS

I have denied a request from the California Workforce Investment Board to exempt the agency from the requirement to adopt a conflict-of-interest code. The Board has 30 days to appeal this decision to the Commission, or 90 days to submit a proposed conflict-of-interest code to the Technical Assistance Division.

Since the last Commission meeting, the agency has approved codes and amendments for the following:

California Environmental Protection Agency State Lands Commission Western Municipal Water District